

Sen. Don Harmon

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Filed: 5/31/2013

09800HB1453sam001 LRB098 07060 JLS 46588 a 1 AMENDMENT TO HOUSE BILL 1453 2 AMENDMENT NO. . Amend House Bill 1453 by replacing everything after the enacting clause with the following: 3 "Section 5. The Public Utilities Act is amended by changing 4 Sections 16-102, 16-115A, 16-119, 19-105, and 19-115 and by 5 adding Sections 19-150, 19-155, and 19-199 as follows: 6 7 (220 ILCS 5/16-102) Sec. 16-102. Definitions. For the purposes of this Article 8 the following terms shall be defined as set forth in this 9 10 Section. "Alternative retail electric supplier" means every person, 11 12 cooperative, corporation, municipal corporation, company, association, joint stock company or association, firm, 13 partnership, individual, or other entity, their lessees, 14

trustees, or receivers appointed by any court whatsoever, that

offers electric power or energy for sale, lease or in exchange

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for other value received to one or more retail customers, or that engages in the delivery or furnishing of electric power or energy to such retail customers, and shall include, without limitation, resellers, aggregators and power marketers, but shall not include (i) electric utilities (or any agent of the electric utility to the extent the electric utility provides tariffed services to retail customers through that agent), (ii) any electric cooperative or municipal system as defined in Section 17-100 to the extent that the electric cooperative or municipal system is serving retail customers within any area in which it is or would be entitled to provide service under the law in effect immediately prior to the effective date of this amendatory Act of 1997, (iii) a public utility that is owned and operated by any public institution of higher education of this State, or a public utility that is owned by such public institution of higher education and operated by any of its lessees or operating agents, within any area in which it is or would be entitled to provide service under the law in effect immediately prior to the effective date of this amendatory Act of 1997, (iv) a retail customer to the extent that customer obtains its electric power and energy from that customer's own cogeneration or self-generation facilities, (v) an entity that owns, operates, sells, or arranges for the installation of a customer's own cogeneration or self-generation facilities, but only to the extent the entity is engaged in owning, selling or arranging for the installation of such facility, or operating

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the facility on behalf of such customer, provided however that any such third party owner or operator of a facility built after January 1, 1999, complies with the labor provisions of Section 16-128(a) as though such third party were alternative retail electric supplier, or (vi) an industrial or manufacturing customer that owns its own distribution facilities, to the extent that the customer provides service from that distribution system to a third-party contractor located on the customer's premises that is integrally and predominantly engaged in the customer's industrial manufacturing process; provided, that if the industrial or manufacturing customer has elected delivery services, the customer shall pay transition charges applicable to electric power and energy consumed by the third-party contractor unless such charges are otherwise paid by the third party contractor, which shall be calculated based on the usage of, and the base rates or the contract rates applicable to, the third-party contractor in accordance with Section 16-102.

An entity that furnishes the service of charging electric vehicles does not and shall not be deemed to sell electricity and is not and shall not be deemed an alternative retail electric supplier, and is not subject to regulation as such under this Act notwithstanding the basis on which the service is provided or billed. If, however, the entity is otherwise deemed an alternative retail electric supplier under this Act, or is otherwise subject to regulation under this Act, then that

- 1 entity is not exempt from and remains subject to the otherwise
- Act. 2 applicable provisions of this The installation.
- 3 maintenance, and repair of an electric vehicle charging station
- 4 shall comply with the requirements of subsection (a) of Section
- 5 16-128 and Section 16-128A of this Act.
- For purposes of this Section, the term "electric vehicles" 6
- has the meaning ascribed to that term in Section 10 of the 7
- 8 Electric Vehicle Act.
- 9 "Base rates" means the rates for those tariffed services 10 that the electric utility is required to offer pursuant to 11 subsection (a) of Section 16-103 and that were identified in a rate order for collection of the electric utility's base rate 12 13 revenue requirement, excluding (i) separate automatic rate 14 adjustment riders then in effect, (ii) special or negotiated 15 contract rates, (iii) delivery services tariffs filed pursuant 16 to Section 16-108, (iv) real-time pricing, or (v) tariffs that were in effect prior to October 1, 1996 and that based charges 17 for services on an index or average of other utilities' 18 charges, but including (vi) any subsequent redesign of such 19 20 rates for tariffed services that is authorized by the 21 Commission after notice and hearing.
- "Competitive service" includes (i) any service that has 22 23 been declared to be competitive pursuant to Section 16-113 of 24 this Act, (ii) contract service, and (iii) services, other than 25 tariffed services, that are related to, but not necessary for, 26 the provision of electric power and energy or delivery

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"Contract service" means (1) services, including the provision of electric power and energy or other services, that are provided by mutual agreement between an electric utility and a retail customer that is located in the electric utility's service area, provided that, delivery services shall not be a contract service until such services are declared competitive pursuant to Section 16-113; and also means (2) the provision of electric power and energy by an electric utility to retail customers outside the electric utility's service area pursuant to Section 16-116. Provided, however, contract service does not include electric utility services provided pursuant to (i) contracts that retail customers are required to execute as a condition of receiving tariffed services, or (ii) special or negotiated rate contracts for electric utility services that were entered into between an electric utility and a retail customer prior to the effective date of this amendatory Act of 1997 and filed with the Commission.

"Delivery services" means those services provided by the electric utility that are necessary in order for the transmission and distribution systems to function so that retail customers located in the electric utility's service area can receive electric power and energy from suppliers other than the electric utility, and shall include, without limitation, standard metering and billing services.

"Door-to-door sale" means a sale of retail electricity

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services, whether under single or multiple contracts, in which the alternative retail electric supplier or a representative of the alternative retail electric supplier personally solicits the sale, including those in response to or following an invitation by a residential or small commercial retail customer, and the residential or small commercial retail customer's agreement or offer to purchase is made at a place other than the place of business of the alternative retail electric supplier (such as sales at the residential or small commercial retail customer's residence or at facilities rented on a temporary or short-term basis, such as hotel or motel rooms, convention centers, fairgrounds, and restaurants, or sales at the residential or small commercial customer's workplace or in dormitory lounges). "Door-to-door sale" does not include a transaction conducted and consummated entirely by web, mail, or telephone and without any other contact between the residential or small commercial retail customer and the alternative retail electric supplier or its representative prior to delivery of the goods or performance of the services. "Electric utility" means a public utility, as defined in Section 3-105 of this Act, that has a franchise, license, permit or right to furnish or sell electricity to retail customers within a service area. "Mandatory transition period" means the period from the effective date of this amendatory Act of 1997 through January

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1 "Municipal system" shall have the meaning set forth in 2 Section 17-100.

"Real-time pricing" means tariffed retail charges for delivered electric power and energy that vary hour-to-hour and are determined from wholesale market prices using a methodology approved by the Illinois Commerce Commission.

"Retail customer" means a single entity using electric power or energy at a single premises and that (A) either (i) is receiving or is eligible to receive tariffed services from an electric utility, or (ii) that is served by a municipal system or electric cooperative within any area in which the municipal system or electric cooperative is or would be entitled to provide service under the law in effect immediately prior to the effective date of this amendatory Act of 1997, or (B) an entity which on the effective date of this Act was receiving electric service from a public utility and (i) was engaged in the practice of resale and redistribution of such electricity within a building prior to January 2, 1957, or (ii) was providing lighting services to tenants in a multi-occupancy building, but only to the extent such resale, redistribution or lighting service is authorized by the electric utility's tariffs that were on file with the Commission on the effective date of this Act.

"Service area" means (i) the geographic area within which an electric utility was lawfully entitled to provide electric power and energy to retail customers as of the effective date

- of this amendatory Act of 1997, and includes (ii) the location
- 2 of any retail customer to which the electric utility was
- 3 lawfully providing electric utility services on such effective
- 4 date.
- 5 "Small commercial retail customer" means those
- 6 nonresidential retail customers of an electric utility
- 7 consuming 15,000 kilowatt-hours or less of electricity
- 8 annually in its service area.
- 9 "Tariffed service" means services provided to retail
- 10 customers by an electric utility as defined by its rates on
- 11 file with the Commission pursuant to the provisions of Article
- 12 IX of this Act, but shall not include competitive services.
- "Transition charge" means a charge expressed in cents per
- 14 kilowatt-hour that is calculated for a customer or class of
- 15 customers as follows for each year in which an electric utility
- is entitled to recover transition charges as provided in
- 17 Section 16-108:
- 18 (1) the amount of revenue that an electric utility
- 19 would receive from the retail customer or customers if it
- were serving such customers' electric power and energy
- 21 requirements as a tariffed service based on (A) all of the
- customers' actual usage during the 3 years ending 90 days
- 23 prior to the date on which such customers were first
- eligible for delivery services pursuant to Section 16-104,
- and (B) on (i) the base rates in effect on October 1, 1996
- 26 (adjusted for the reductions required by subsection (b) of

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Section 16-111, for any reduction resulting from a rate decrease under Section 16-101(b), for any restatement of base rates made in conjunction with an elimination of the fuel adjustment clause pursuant to subsection (b), (d), or (f) of Section 9-220 and for any removal of decommissioning costs from base rates pursuant to Section 16-114) and any separate automatic rate adjustment riders (other than a decommissioning rate as defined in Section 16-114) under which the customers were receiving or, had they been customers, would have received electric power and energy from the electric utility during the year immediately preceding the date on which such customers were first eligible for delivery service pursuant to Section 16-104, or (ii) to the extent applicable, any contract rates, including contracts rates for consolidated or aggregated billing, under which such customers were receiving electric power and energy from the electric utility during such year;

(2) less the amount of revenue, other than revenue from transition charges and decommissioning rates, that the electric utility would receive from such retail customers for delivery services provided by the electric utility, assuming such customers were taking delivery services for all of their usage, based on the delivery services tariffs in effect during the year for which the transition charge is being calculated and on the usage identified in

paragraph (1);

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- (3) less the market value for the electric power and energy that the electric utility would have used to supply all of such customers' electric power and requirements, as a tariffed service, based on the usage identified in paragraph (1), with such market value determined in accordance with Section 16-112 of this Act;
- (4) less the following amount which represents the amount to be attributed to new revenue sources and cost reductions by the electric utility through the end of the period for which transition costs are recovered pursuant to Section 16-108, referred to in this Article XVI as a "mitigation factor":
 - (A) for nonresidential retail customers, an amount equal to the greater of (i) 0.5 cents per kilowatt-hour during the period October 1, 1999 through December 31, 2004, 0.6 cents per kilowatt-hour in calendar year 2005, and 0.9 cents per kilowatt-hour in calendar year 2006, multiplied in each year by the usage identified in paragraph (1), or (ii) an amount equal to the following percentages of the amount produced by applying the applicable base rates (adjusted as described in subparagraph (1)(B)) or contract rate to the usage identified in paragraph (1): 8% for the period October 1, 1999 through December 31, 2002, 10% in calendar years 2003 and 2004, 11% in calendar year

1	2005 and 12% in calendar year 2006; and
2	(B) for residential retail customers, an amount
3	equal to the following percentages of the amount
4	produced by applying the base rates in effect on
5	October 1, 1996 (adjusted as described in subparagraph
6	(1)(B)) to the usage identified in paragraph (1): (i)
7	6% from May 1, 2002 through December 31, 2002, (ii) 7%
8	in calendar years 2003 and 2004, (iii) 8% in calendar
9	year 2005, and (iv) 10% in calendar year 2006;
10	(5) divided by the usage of such customers identified
11	in paragraph (1),
12	provided that the transition charge shall never be less than
13	zero.
14	"Unbundled service" means a component or constituent part
15	of a tariffed service which the electric utility subsequently
16	offers separately to its customers.
17	(Source: P.A. 97-1128, eff. 8-28-12.)
18	(220 ILCS 5/16-115A)
19	Sec. 16-115A. Obligations of alternative retail electric
20	suppliers.
21	(a) An alternative retail electric supplier shall:
22	(i) comply with the requirements imposed on public
23	utilities by Sections 8-201 through 8-207, 8-301, 8-505 and
24	8-507 of this Act, to the extent that these Sections have

application to the services being offered by the

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alternative retail electric supplier; and

- (ii) continue to comply with the requirements for 2 certification stated in subsection (d) of Section 16-115. 3
 - (b) An alternative retail electric supplier shall obtain verifiable authorization from a customer, in a form or manner approved by the Commission consistent with Section 2EE of the Consumer Fraud and Deceptive Business Practices Act, before the customer is switched from another supplier.
 - (c) No alternative retail electric supplier, or electric utility other than the electric utility in whose service area a customer is located, shall (i) enter into or employ any arrangements which have the effect of preventing a retail customer with a maximum electrical demand of less than one megawatt from having access to the services of the electric utility in whose service area the customer is located or (ii) charge retail customers for such access. This subsection shall not be construed to prevent an arms-length agreement between a supplier and a retail customer that sets a term of service, notice period for terminating service and provisions governing early termination through a tariff or contract as allowed by Section 16-119, except as otherwise provided in this Section.
 - An alternative retail electric supplier that is certified to serve residential or small commercial retail customers shall not:
- 25 (1) deny service to a customer or group of customers 26 nor establish any differences as to prices, terms,

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- 1 conditions, services, products, facilities, or in any other respect, whereby such denial or differences are based 2 3 upon race, gender or income.
 - (2) deny service to a customer or group of customers locality nor establish any unreasonable on difference as to prices, terms, conditions, services, products, or facilities as between localities.
 - (e) An alternative retail electric supplier shall comply with the following requirements with respect to the marketing, offering and provision of products or services to residential and small commercial retail customers:
 - (i) Any marketing materials which make statements concerning prices, terms and conditions of service shall contain information that adequately discloses the prices, terms and conditions of the products or services that the alternative retail electric supplier is offering or selling to the customer.
 - (ii) Before any customer is switched from another supplier, the alternative retail electric supplier shall give the customer written information that adequately discloses, in plain language, the prices, terms and conditions of the products and services being offered and sold to the customer.
 - (iii) An alternative retail electric supplier shall provide documentation to the Commission and to customers that substantiates any claims made by the alternative

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retail electric supplier regarding the technologies and fuel types used to generate the electricity offered or sold to customers.

- (iv) The alternative retail electric supplier shall provide to the customer (1) itemized billing statements that describe the products and services provided to the customer and their prices, and (2) the following an additional statement on every bill: "Compare power prices at www.pluginillinois.org or contact your retail electric supplier for your own price comparison.", and (3) an additional statement at least annually that adequately discloses (A) the average monthly prices, (B) the total electric power charge, and (C), at least annually, that adequately discloses the average monthly prices, and the terms and conditions, of the products and services sold to the customer. If an alternative retail electric supplier uses the utility bill, the utility may collect all costs necessary to expand character limits or programming costs for the addition of the statement under item (2) of this subdivision (iv).
- (v) Upon request from a customer, the alternative retail electric supplier shall provide:
 - (A) the price comparison history between the alternative retail electric supplier's rate and the individual customer's default electric utility's rate for the previous month; and

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(B) a price comparison history between the alternative retail electric supplier's monthly average price and the customer's default electric utility monthly average price for the previous 12 months or the amount of time served under the contract, if less than 12 months, as charged by the alternative retail electric supplier compared to the monthly average utility price for the same term.

In addition, for variable rate contracts, the information must include a conspicuous statement that the customer has the right to terminate a variable price contract without penalty if the monthly rate is 20% or more above the rate offered by the applicable default electric utility for that month.

(f) An alternative retail electric supplier may limit the overall size or availability of a service offering by specifying one or more of the following: a maximum number of customers, maximum amount of electric load to be served, time period during which the offering will be available, or other comparable limitation, but not including the geographic locations of customers within the area which the alternative retail electric supplier is certificated to serve. alternative retail electric supplier shall file the terms and conditions of such service offering including the applicable limitations with the Commission prior to making the service offering available to customers.

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- Nothing in this Section shall be construed as preventing an alternative retail electric supplier, which is an affiliate of, or which contracts with, (i) an industry or trade organization or association, (ii) a membership organization or association that exists for a purpose other than the purchase of electricity, or (iii) another organization that meets criteria established in a rule adopted by the Commission, from offering through the organization or association services at prices, terms and conditions that are available solely to the members of the organization or association.
- (Source: P.A. 90-561, eff. 12-16-97.) 11
- 12 (220 ILCS 5/16-119)
- 13 Sec. 16-119. Switching suppliers.
- 14 (a) An electric utility or an alternative retail electric 15 supplier serving residential or small commercial retail customers may establish a term of service, notice period for 16 terminating service, and provisions governing 17 18 termination through a tariff or contract. A customer may change 19 supplier subject to tariff or contract terms 20 conditions. Any notice provisions, + or provision for a fee, 21 charge, or penalty with early termination of a contract, + shall 22 be conspicuously disclosed in any tariff or contract. A customer shall remain responsible for any unpaid charges owed 23 24 to an electric utility or alternative retail electric supplier 25 at the time it switches to another provider.

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(b) Any contract offered by an alternative retail electric supplier to serve a residential or small commercial retail customer executed or extended after the effective date of this amendatory Act of the 98th General Assembly that contains an early termination clause shall disclose the amount of the early termination fee. Contracts to serve residential or small commercial retail customers executed, renewed, or extended after the effective date of this amendatory Act of the 98th General Assembly shall not contain or impose an early termination fee or penalty (1) in excess of \$50 for contracts with an initial term of 12 months or less, (2) in excess of \$50 for contracts with an initial term exceeding 12 months when the customer cancels within the first 12 months of the contract, and (3) in excess of \$100 for contracts with an initial term exceeding 12 months when the customer cancels after the first 12 months.

(c) In any contract to serve a residential or small commercial retail customer that contains an early termination clause, an alternative retail electric supplier shall provide the customer the opportunity to terminate the contract without any termination fee or penalty up to and including the due date for payment of the first bill issued to the customer for products or services provided by the alternative retail electric supplier. The contract shall disclose the opportunity and provide a toll-free telephone number and website that the customer may call or use to terminate the agreement.

1 (d) No alternative retail electric supplier may impose a termination fee or penalty to residential or small commercial 2 3 retail customers with variable rate contracts who elect early 4 termination when the supplier's monthly rate is 20% or more 5 above the rate offered by the applicable default electric 6 utility for that month. Variable rate contracts must provide a

conspicuous statement of this provision.

- (e) No alternative retail electric supplier may charge any 8 9 early termination fee, charge, or penalty to residential or 10 small commercial retail customers who elect early termination 11 within the first 6 months after the date of enrollment under a contract entered into with that supplier as a result of 12 door-to-door sales. For purposes of complying with this 13 14 subsection (e), an alternative retail electric supplier shall 15 keep records of the primary method by which it acquired or obtained each of its customers, whether through door-to-door 16 17 sales or other methods.
- (Source: P.A. 90-561, eff. 12-16-97.) 18
- 19 (220 ILCS 5/19-105)
- Sec. 19-105. Definitions. For the purposes of this Article, 2.0
- 21 the following terms shall be defined as set forth in this
- 22 Section.

- 23 supplier" means "Alternative gas every person,
- 24 cooperative, corporation, municipal corporation, company,
- 25 association, joint stock company or association, firm,

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partnership, individual, or other entity, their lessees, trustees, or receivers appointed by any court whatsoever, that offers gas for sale, lease, or in exchange for other value received to one or more customers, or that engages in the furnishing of gas to one or more customers, and shall include affiliated interests of a gas utility, resellers, aggregators and marketers, but shall not include (i) gas utilities (or any agent of the gas utility to the extent the gas utility provides tariffed services to customers through an agent); (ii) public utilities that are owned and operated by any political subdivision, public institution of higher education or municipal corporation of this State, or public utilities that are owned by a political subdivision, public institution of higher education, or municipal corporation and operated by any its lessees or operating agents; (iii) natural gas cooperatives that are not-for-profit corporations operated for the purpose of administering, on a cooperative basis, the furnishing of natural gas for the benefit of their members who are consumers of natural gas; and (iv) the ownership or operation of a facility that sells compressed natural gas at retail to the public for use only as a motor vehicle fuel and the selling of compressed natural gas at retail to the public for use only as a motor vehicle fuel.

"Door-to-door sale" means a sale of alternative gas services, whether under single or multiple contracts, in which the alternative gas supplier or a representative of the

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alternative gas supplier personally solicits the sale, including those in response to or following an invitation by a residential or small commercial retail customer, and the residential or small commercial retail customer's agreement or offer to purchase is made at a place other than the place of business of the alternative gas supplier (such as sales at the residential or small commercial retail customer's residence or at facilities rented on a temporary or short-term basis, such as hotel or motel rooms, convention centers, fairgrounds, and restaurants, or sales at the residential or small commercial customer's workplace or in dormitory lounges). "Door-to-door sale" does not include a transaction conducted and consummated entirely by web, mail, or telephone and without any other contact between the residential or small commercial retail customer and the alternative gas supplier or its representative prior to delivery of the goods or performance of the services.

"Gas utility" means a public utility, as defined in Section 3-105 of this Act, that has a franchise, license, permit, or right to furnish or sell gas or transportation services to customers within a service area.

"Residential customer" means a customer who receives gas utility service for household purposes distributed to a dwelling of 2 or fewer units which is billed under a residential rate or gas utility service for household purposes distributed to a dwelling unit or units which is billed under a residential rate and is registered by a separate meter for each 1 dwelling unit.

"Sales agent" means any employee, agent, independent contractor, consultant, or other person that is engaged by the alternative gas supplier to solicit customers to purchase, enroll in, or contract for alternative gas service on behalf of an alternative gas supplier.

"Service area" means (i) the geographic area within which a gas utility was lawfully entitled to provide gas to customers as of the effective date of this amendatory Act of the 92nd General Assembly and includes (ii) the location of any customer to which the gas utility was lawfully providing gas utility services on such effective date.

"Single billing" means the combined billing of the services provided by both a natural gas utility and an alternative gas supplier to any customer who has enrolled in a customer choice program.

"Small commercial customer" means a nonresidential retail customer of a natural gas utility who consumed 5,000 or fewer therms of natural gas during the previous year; provided that any alternative gas supplier may remove the customer from designation as a "small commercial customer" if the customer consumes more than 5,000 therms of natural gas in any calendar year after becoming a customer of the alternative gas supplier. In determining whether a customer has consumed 5,000 or fewer therms of natural gas during the previous year, usage by the same commercial customer shall be aggregated to include usage

at the same premises even if measured by more than one meter, 1 and to include usage at multiple premises. Nothing in this 2 3 Section creates an affirmative obligation on a gas utility to 4 monitor or inform customers or alternative gas suppliers as to 5 a customer's status as a small commercial customer as that term is defined herein. Nothing in this Section relieves a gas 6 7 utility from any obligation to provide information upon request 8 to a customer, alternative gas supplier, the Commission, or 9 others necessary to determine whether a customer meets the 10 classification of small commercial customers as that term is 11 defined herein.

"Tariffed service" means a service provided to customers by a gas utility as defined by its rates on file with the Commission pursuant to the provisions of Article IX of this Act.

"Transportation services" means those services provided by the gas utility that are necessary in order for the storage, transmission and distribution systems to function so that customers located in the gas utility's service area can receive gas from suppliers other than the gas utility and shall include, without limitation, standard metering and billing services.

(Source: P.A. 95-1051, eff. 4-10-09; 96-435, eff. 1-1-10; 23

24 96-1000, eff. 7-2-10.)

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- 1 Sec. 19-115. Obligations of alternative gas suppliers.
 - (a) The provisions of this Section shall apply only to alternative gas suppliers serving or seeking to serve residential or small commercial customers and only to the extent such alternative gas suppliers provide services to residential or small commercial customers.
 - (b) An alternative gas supplier shall:
 - (1) comply with the requirements imposed on public utilities by Sections 8-201 through 8-207, 8-301, 8-505 and 8-507 of this Act, to the extent that these Sections have application to the services being offered by the alternative gas supplier;
 - (2) continue to comply with the requirements certification stated in Section 19-110;
 - (3) comply with complaint procedures established by the Commission;
 - (4) except as provided in subsection (h) of this Section, file with the Chief Clerk of the Commission, within 20 business days after the effective date of this amendatory Act of the 95th General Assembly, a copy of bill formats, standard customer contract and customer complaint and resolution procedures, and the name and telephone number of the company representative whom Commission employees may contact to resolve customer complaints and other matters. In the case of a gas supplier that engages in door-to-door solicitation, the company shall file with

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the Commission the consumer information disclosure required by item (3) of subsection (c) of Section 2DDD of the Consumer Fraud and Deceptive Business Practices Act and shall file updated information within 10 business days after changes in any of the documents or information required to be filed by this item (4); and

(5) maintain a customer call center where customers can reach a representative and receive current information. At least once every 6 months, each alternative gas supplier shall provide written information to customers explaining how to contact the call center. The average answer time for calls placed to the call center shall not exceed 60 seconds where a representative or automated system is ready to render assistance and/or accept information to process calls. The abandon rate for calls placed to the call center shall not exceed 10%. Each alternative gas supplier shall maintain records of the call center's telephone answer time performance and abandon call rate. These records shall be kept for a minimum of 2 years and shall be made available to Commission personnel upon request. In the event that answer times and/or abandon rates exceed the limits established above, the reporting alternative gas supplier its personnel provide the Commission or explanatory details. At a minimum, these records shall contain the following information in monthly increments:

(A) total number of calls received;

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- 1 (B) number of calls answered;
- (C) average answer time; 2
- (D) number of abandoned calls; and 3
- 4 (E) abandon call rate.

Alternative gas suppliers that do not have electronic answering capability that meets these requirements shall notify the Manager of the Commission's Consumer Services Division or its successor within 30 days following the effective date of this amendatory Act of the 95th General Assembly and work with Staff to develop individualized reporting requirements as to the call volume and responsiveness of the call center.

On or before March 1 of every year, each entity shall file a report with the Chief Clerk of the Commission for the preceding calendar year on its answer time and abandon call rate for its call center. A copy of the report shall be sent to the Manager of the Consumer Services Division or its successor.

(c) An alternative gas supplier shall not submit or execute a change in a customer's selection of a natural gas provider unless and until (i) the alternative gas supplier first discloses all material terms and conditions of the offer to the customer; (ii) the alternative gas supplier has obtained the customer's express agreement to accept the offer after the disclosure of all material terms and conditions of the offer; and (iii) the alternative gas supplier has confirmed the request for a change in accordance with one of the following

procedures:

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- The alternative gas supplier has obtained the customer's written or electronically signed authorization in a form that meets the following requirements:
 - (A) An alternative gas supplier shall obtain any electronically necessary written or authorization from a customer for a change in natural gas service by using a letter of agency as specified in this Section. Any letter of agency that does not conform with this Section is invalid.
 - (B) The letter of agency shall be a separate document (or an easily separable document containing only the authorization language described in item (E) of this paragraph (1)) whose sole purpose is to authorize a natural gas provider change. The letter of agency must be signed and dated by the customer requesting the natural gas provider change.
 - (C) The letter of agency shall not be combined with inducements of any kind on the same document.
 - (D) Notwithstanding items (A) and (B) of this paragraph (1), the letter of agency may be combined with checks that contain only the required letter of agency language prescribed in item (E) of this paragraph (1) and the necessary information to make the check a negotiable instrument. The letter of agency check shall not contain any promotional language or

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1	material. The letter of agency check shall contain in
2	easily readable, bold face type on the face of the
3	check a notice that the consumer is authorizing a
4	natural gas provider change by signing the check. The
5	letter of agency language also shall be placed near the
6	signature line on the back of the check.
7	(E) At a minimum, the letter of agency must be
8	printed with a print of sufficient size to be clearly
9	legible and must contain clear and unambiguous
10	language that confirms:
11	(i) the customer's billing name and address;
12	(ii) the decision to change the natural gas
13	provider from the current provider to the
14	prospective alternative gas supplier;
15	(iii) the terms, conditions, and nature of the
16	service to be provided to the customer, including,
17	but not limited to, the rates for the service
18	contracted for by the customer; and
19	(iv) that the customer understands that any
20	natural gas provider selection the customer
21	chooses may involve a charge to the customer for
22	changing the customer's natural gas provider.
23	(F) Letters of agency shall not suggest or require
24	that a customer take some action in order to retain the

customer's current natural gas provider.

(G) If any portion of a letter of agency is

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translated into another language, then all portions of the letter of agency must be translated into that language.

(2) An appropriately qualified independent third party has obtained, in accordance with the procedures set forth in this paragraph (2), the customer's oral authorization to change natural gas providers that confirms and includes appropriate verification data. The independent third party must (i) not be owned, managed, controlled, or directed by alternative gas supplier or the alternative gas supplier's marketing agent; (ii) not have any financial incentive to confirm provider change requests for the alternative gas supplier or the alternative gas supplier's marketing agent; and (iii) operate in a location physically separate from the alternative gas supplier or alternative gas supplier's marketing agent. Automated third-party verification systems and 3-way conference calls may be used for verification purposes so long as the other requirements of this paragraph (2) are satisfied. An alternative gas supplier or alternative gas supplier's sales representative initiating a 3-way conference call or a call through an automated verification system must drop 3-way connection off the call once the has been established. All third-party verification methods shall elicit, at a minimum, the following information:

(A) the identity of the customer;

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L	(B)	confirmation	that	the	person	on	the	call	is
2	authoriz	ed to make the	e prov	ider	change;				

- (C) confirmation that the person on the call wants to make the provider change;
- (D) the names of the providers affected by the change;
- (E) the service address of the service to be switched; and
- (F) the price of the service to be provided and the material terms and conditions of the service being offered, including whether any early termination fees apply.

Third-party verifiers may not market the alternative supplier's services by providing additional information. All third-party verifications shall conducted in the same language that was used in the underlying sales transaction and shall be recorded in their entirety. Submitting alternative gas suppliers shall maintain and preserve audio records of verification of customer authorization for a minimum period of 2 years after obtaining the verification. Automated systems must provide customers with an option to speak with a live person at any time during the call.

The alternative gas supplier has obtained the customer's authorization via an automated verification system to change natural gas service via telephone. An

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automated verification system is an electronic system that. through pre-recorded prompts, elicits responses, touchtone responses, or both, from the customer and records both the prompts and the customer's responses. authorization must elicit the information paragraph (2)(A) through (F) of this subsection (c). Alternative gas suppliers electing to confirm sales electronically through an automated verification system shall establish one or more toll-free telephone numbers exclusively for that purpose. Calls to the number or numbers shall connect a customer to a voice response unit, similar mechanism, that makes а date-stamped, orrecording of the required information time-stamped regarding the alternative gas supplier change.

The alternative gas supplier shall not use such electronic authorization systems to market its services.

- When a consumer initiates the call to the prospective alternative gas supplier, in order to enroll the consumer as a customer, the prospective alternative gas supplier must, with the consent of the customer, make a date-stamped, time-stamped audio recording that elicits, at a minimum, the following information:
 - (A) the identity of the customer;
 - (B) confirmation that the person on the call is authorized to make the provider change;
 - (C) confirmation that the person on the call wants

1	to make the provider change;
2	(D) the names of the providers affected by the
3	change;
4	(E) the service address of the service to be
5	switched; and
6	(F) the price of the service to be supplied and the
7	material terms and conditions of the service being
8	offered, including whether any early termination fees
9	apply.
10	Submitting alternative gas suppliers shall maintain
11	and preserve the audio records containing the information
12	set forth above for a minimum period of 2 years.
13	(5) In the event that a customer enrolls for service
14	from an alternative gas supplier via an Internet website,
15	the alternative gas supplier shall obtain an
16	electronically signed letter of agency in accordance with
17	paragraph (1) of this subsection (c) and any customer
18	information shall be protected in accordance with all
19	applicable statutes and regulations. In addition, an
20	alternative gas supplier shall provide the following when
21	marketing via an Internet website:
22	(A) The Internet enrollment website shall, at a
23	minimum, include:
24	(i) a copy of the alternative gas supplier's
25	customer contract that clearly and conspicuously
26	discloses all terms and conditions; and

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1	(ii) a conspicuous prompt for the customer to
2	print or save a copy of the contract.
3	(B) Any electronic version of the contract shall be
4	identified by version number, in order to ensure the
5	ability to verify the particular contract to which the
6	customer assents.
7	(C) Throughout the duration of the alternative gas
8	supplier's contract with a customer, the alternative
9	gas supplier shall retain and, within 3 business days
10	of the customer's request, provide to the customer an
11	e-mail, paper, or facsimile of the terms and conditions
12	of the numbered contract version to which the customer
13	assents.
14	(D) The alternative gas supplier shall provide a
15	mechanism by which both the submission and receipt of
16	the electronic letter of agency are recorded by time
17	and date.
18	(E) After the customer completes the electronic
19	letter of agency, the alternative gas supplier shall
20	disclose conspicuously through its website that the
21	customer has been enrolled, and the alternative gas
22	supplier shall provide the customer an enrollment
23	confirmation number.
24	(6) When a customer is solicited in person by the

alternative gas supplier's sales agent, the alternative

gas supplier may only obtain the customer's authorization

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1 to change natural gas service through the method provided for in paragraph (2) of this subsection (c). 2

Alternative gas suppliers must be in compliance with this subsection (c) within 90 days after the effective date of this amendatory Act of the 95th General Assembly.

- (d) Complaints may be filed with the Commission under this Section by a customer whose natural gas service has been provided by an alternative gas supplier in a manner not in compliance with subsection (c) of this Section. If, after notice and hearing, the Commission finds that an alternative gas supplier has violated subsection (c), then the Commission may in its discretion do any one or more of the following:
 - (1) Require the violating alternative gas supplier to refund the customer charges collected in excess of those that would have been charged by the customer's authorized natural gas provider.
 - (2) Require the violating alternative gas supplier to pay to the customer's authorized natural gas provider the amount the authorized natural gas provider would have collected for natural gas service. The Commission is authorized to reduce this payment by any amount already paid by the violating alternative gas supplier to the customer's authorized natural gas provider.
 - (3) Require the violating alternative gas supplier to pay a fine of up to \$1,000 into the Public Utility Fund for each repeated and intentional violation of this Section.

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- (4) Issue a cease and desist order. 1
 - (5) For a pattern of violation of this Section or for intentionally violating a cease and desist order, revoke the violating alternative gas supplier's certificate of service authority.
 - (e) No alternative gas supplier shall:
 - (1) enter into or employ any arrangements which have the effect of preventing any customer from having access to the services of the gas utility in whose service area the customer is located;
 - (2) charge customers for such access;
 - (3) bill for goods or services not authorized by the customer; or
 - (4) bill for a disputed amount where the alternative gas supplier has been provided notice of such dispute. The supplier shall attempt to resolve a dispute with the customer. When the dispute is not resolved to t.he customer's satisfaction, the supplier shall inform the customer of the right to file an informal complaint with the Commission and provide contact information. While the pending dispute is active at the Commission, an alternative gas supplier may bill only for the undisputed amount until the Commission has taken final action on the complaint.
 - (f) An alternative gas supplier that is certified to serve residential or small commercial customers shall not:
 - (1) deny service to a customer or group of customers

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nor	establis	sh any	differen	nces a	s to	prices	s, te	erms,
cond	itions,	services	, produ	cts, f	acilit	ies, o	r in	any
othe	r respect	, whereb	y such d	enial o	r diffe	rences	are b	ased
upon	race, ge	nder, or	income;					

- (2) deny service based on locality, nor establish any unreasonable difference as to prices, terms, conditions, services, products, or facilities as between localities;
- (3) include in any agreement a provision that obligates a customer to the terms of the agreement if the customer (i) moves outside the State of Illinois; (ii) moves to a location without a transportation service program; or (iii) moves to a location where the customer will not require natural gas service, provided that nothing in this subsection precludes an alternative gas supplier from taking any action otherwise available to it to collect a debt that arises out of service provided to the customer before the customer moved; or
- (4) assign the agreement to any alternative natural gas supplier, unless:
 - (A) the supplier is an alternative gas supplier certified by the Commission;
 - (B) the rates, terms, and conditions of the agreement being assigned do not change during the remainder of the time covered by the agreement;
 - (C) the customer is given no less than 30 days prior written notice of the assignment and contact

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lr	nformation	ior	the	new	supplier;	and

- (D) the supplier assigning the contract provides 2 3 contact information that a customer can use to resolve a dispute. 4
 - (g) An alternative gas supplier shall comply with the following requirements with respect to the marketing, offering, and provision of products or services:
 - (1) Any marketing materials which make statements concerning prices, terms, and conditions of service shall contain information that adequately discloses the prices, terms and conditions of the products or services.
 - (2) Before any customer is switched from another supplier, the alternative gas supplier shall give the customer written information that clearly conspicuously discloses, in plain language, the prices, terms, and conditions of the products and services being offered and sold to the customer. Nothing in this paragraph (2) may be read to relieve an alternative gas supplier from the duties imposed on it by item (3) of subsection (c) of Section 2DDD of the Consumer Fraud and Deceptive Business Practices Act.
 - (3) The alternative gas supplier shall provide to the customer:
 - accurate, timely, and itemized billing statements that describe the products and services provided to the customer and their prices and that

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specify the gas consumption amount and any service charges and taxes; provided that this item (g)(3)(A) does not apply to small commercial customers;

- (B) billing statements that clearly and conspicuously discloses the name and contact information for the alternative gas supplier and contain the following statement on every billing statement: "Compare gas prices www.icc.illinois.gov/ags/products.aspx or contact your retail gas supplier for your own price comparison."; if an alternative gas supplier uses the utility bill, the utility may collect all costs necessary to expand character limits or programming costs for the addition of this statement;
- (C) an additional statement, at least annually, that adequately discloses the average monthly prices, and the terms and conditions, of the products and services sold to the customer; provided that this item (g)(3)(C) does not apply to small commercial customers;
- (D) refunds of any deposits with interest within 30 days after the date that the customer changes gas suppliers or discontinues service if the customer has satisfied all of his or her outstanding financial obligations to the alternative gas supplier at an interest rate set by the Commission which shall be the

same as that required of gas utilities; and

2	(E) refunds, in a timely fashion, of all undisputed
3	overpayments upon the oral or written request of the
4	customer.
5	(3.5) Upon request from a customer, the alternative gas
6	supplier shall provide:
7	(A) a price comparison history between the
8	alternative gas supplier's rate and the customer's
9	default gas utility rate for the previous month; and
10	(B) a price comparison history between the
11	alternative gas supplier's monthly average price and
12	the customer's default gas utility monthly average
13	price for the previous 12 months or the amount of time
14	served under the contract if less than 12 months.
15	In addition, for variable rate contracts, the
16	information must include a conspicuous statement that the
17	customer has the right to terminate a variable price
18	contract without penalty if the monthly rate is 20% or more
19	above the rate offered by the applicable default gas
20	utility for that month.
21	(4) An alternative gas supplier and its sales agents
22	shall refrain from any direct marketing or soliciting to
23	consumers on the gas utility's "Do Not Contact List", which
24	the alternative gas supplier shall obtain on the 15th
25	calendar day of the month from the gas utility in whose
26	service area the consumer is provided with gas service. If

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the 15th calendar day is a non-business day, then the alternative gas supplier shall obtain the list on the next business day following the 15th calendar day of that month.

(5) Early Termination.

- Any agreement that contains early an termination clause shall disclose the amount of the early termination fee, provided that any early termination fee or penalty shall not exceed \$50 total, regardless of whether or not the agreement is a multiyear agreement.
- In any agreement that contains an early termination clause, an alternative gas supplier shall provide the customer the opportunity to terminate the agreement without any termination fee or penalty up to and including the due date for payment within 10 business days after the date of the first bill issued to the customer for products or services provided by the alternative gas supplier. The agreement shall disclose the opportunity and provide a toll-free phone number that the customer may call in order to terminate the agreement.
- (C) No alternative gas supplier may impose a termination fee or penalty to customers with variable rate agreement who elect early termination when the supplier's monthly rate is 20% or more above the rate offered by the applicable gas utility for that month.

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<u>Variable</u>	rate	contracts	must	provide	а	conspicuous
statement	of t	his provisi	on.			

- (D) No alternative gas supplier may charge any early termination fee, charge, or penalty to residential or small commercial retail customers who elect early termination within the first 6 months after the date of enrollment under a contract entered into with that supplier as a result of door-to-door sales. For purposes of complying with this subparagraph (D), an alternative gas supplier shall keep records of the primary method by which it acquired or obtained each of its customers, whether through door-to-door sales or other methods.
- (6) Within 2 business days after electronic receipt of a customer switch from the alternative gas supplier and confirmation of eligibility, the gas utility shall provide the customer written notice confirming the switch. The gas utility shall not switch the service until 10 business days after the date on the notice to the customer.
- (7) The alternative gas supplier shall provide each customer the opportunity to rescind its agreement without penalty within 10 business days after the date on the gas utility notice to the customer. The alternative gas supplier shall disclose all of the following:
 - (A) that the gas utility shall send a notice confirming the switch;

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Τ.	(b) that from the date the utility issues the
2	notice confirming the switch, the customer shall have
3	10 business days to rescind the switch without penalty;
4	(C) that the customer shall contact the gas utility
5	or the alternative gas supplier to rescind the switch;
6	and
7	(D) the contact information for the gas utility.
8	The alternative gas supplier disclosure shall be
9	included in its sales solicitations, contracts, and all
10	applicable sales verification scripts.
11	(h) An alternative gas supplier may limit the overall size
12	or availability of a service offering by specifying one or more
13	of the following:
14	(1) a maximum number of customers and maximum amount of
15	gas load to be served;
16	(2) time period during which the offering will be
17	available; or
18	(3) other comparable limitation, but not including the
19	geographic locations of customers within the area which the
20	alternative gas supplier is certificated to serve.

(i) Nothing in this Section shall be construed as preventing an alternative gas supplier that is an affiliate of,

offering available to customers.

conditions of such service offering including the applicable

limitations with the Commission prior to making the service

The alternative gas supplier shall file the terms and

- 1 or which contracts with, (i) an industry or trade organization
- or association, (ii) a membership organization or association 2
- 3 that exists for a purpose other than the purchase of gas, or
- 4 (iii) another organization that meets criteria established in a
- 5 rule adopted by the Commission from offering through the
- 6 organization or association services at prices, terms and
- conditions that are available solely to the members of the 7
- 8 organization or association.
- 9 (Source: P.A. 95-1051, eff. 4-10-09.)
- 10 (220 ILCS 5/19-150 new)
- Sec. 19-150. Purchase of receivables. 11
- 12 (a) For the purposes of this Section:
- 13 "Qualifying alternative gas supplier" means an alternative
- 14 gas supplier that (i) is certified under Section 19-110 of this
- 15 Act and (ii) includes its charges for gas sales made in a gas
- utility's service area on that gas utility's bill pursuant to 16
- Section 19-135 of this Act. 17
- "Administrative costs" means all of the utility's costs 18
- 19 incurred in its administration of the purchase of receivables
- 20 program.
- 21 (b) Within 6 months after the effective date of this
- amendatory Act of the 98th General Assembly, a gas utility with 22
- 23 at least 100,000 customers that offers transportation service
- 24 to residential customers and small commercial customers shall
- file a tariff pursuant to Article IX of this Act that provides 25

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1 qualifying alternative gas suppliers and gas utilities other than the gas utility in whose service area the retail customers 2 are located with the option to have the gas utility purchase 3 4 their receivables for power and energy service (1) to 5 residential customers and small commercial customers, as those 6 terms are defined in Section 19-105 of this Article, and (2)

charged on the gas utility's bill.

(c) Receivables for energy service of alternative gas suppliers shall be purchased by the gas utility at a just and reasonable discount rate to be reviewed and approved by the Commission after notice and hearing. The discount rate shall be designed to recover all start-up and ongoing costs, including uncollectible amounts associated with the gas supply provided by the ARGS to its customers, that are incrementally incurred by the gas utility in providing the Purchase of Receivables services provided for in this Section 19-150. The Commission shall base the initial discount rates, to be established separately for residential and commercial classes who receive service from an alternative gas supplier but are not transport customers, on: (1) the natural gas utility's historical bad debt experience for a similar period and rate class; (2) any working capital costs arising from the lag in collections of receivables associated with the natural gas utility's purchase of receivables; (3) estimated incremental start-up costs, levelized as appropriate; and (4) administrative costs associated with the natural gas utility's purchase of

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receivables. In subsequent discount rates, following the setting of the initial discount rate, the Commission shall use the average of the historical bad debt experience for all participating alternative gas suppliers, without accounting for the historical bad debt of the utility. The Commission shall retain continuing jurisdiction and prescribe reconciliation procedures to annually reconcile the natural gas utility's actual bad debt experience limited to the purchase of receivables program by residential and small commercial customers within the program; actual incurred incremental costs to provide purchase of receivables services with the cost estimates employed in setting the initial or any subsequent discount rate, implementing corresponding adjustments to the discount rate as necessary to effect such reconciliations or new costs related to the program which were not part of the original approved costs. The gas utility shall use similar processes for collection from alternative gas supplier customers whose receivables are purchased as utility customers.

(d) Reasonable start-up costs and administrative costs associated with the gas utility's purchase of receivables shall in the first instance be recovered from qualifying alternative gas suppliers through the gas utility's discount rate assessed by the gas utility on those qualifying alternative gas suppliers who have the gas utility purchase their receivables. In order to prevent barriers to suppliers' use of a purchase of

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receivables program and ensure full cost recovery for the gas utility in a timely manner, a portion of the gas utility's reasonable start-up costs, subject to reasonable carrying charges as determined by the Commission, may be deferred for later recovery from qualifying alternative gas suppliers who have the gas utility purchase their receivables through the discount rate or a monthly per bill fee, if such deferral is deemed to be necessary by the Commission. A gas utility may request capital costs recovery sufficient to recover the return of and on the gas utility investment in a purchase of receivables program. The gas utility retains the rights to (1) impose the same terms on residential customers supplied by qualifying alternative gas suppliers with respect to credit and collection, including requests for deposits, and (2) disconnect the customers, if it does not receive payment for its tariffed services or purchased receivables, in the same manner that it would be permitted to if the customers had purchased gas supply service from the gas utility. Any combination gas and electric utility serving more than 1,000,000 total customers shall be exempt from the requirements of this Section unless and until the Commission approves a proposed transportation program available to residential customers and small commercial customers, as those terms are defined in Section 19-105, that includes consolidated billing and any associated cost recovery provisions for an exempt utility. With regard to exempt utilities, the Commission may

- approve a small volume transportation tariff including 1
- 2 consolidated billing and associated cost recovery as part of a
- 3 general rate increase or other tariff filing.
- 4 (e) The tariff filed pursuant to this Section shall provide
- 5 for recovery of the prudently incurred costs associated with
- the provision of this service pursuant to this Section and may 6
- 7 include other just and reasonable terms and conditions. Nothing
- 8 in this Section permits the double recovery of uncollectible
- 9 expenses from customers.
- An alternative gas supplier shall not require a deposit or 10
- credit assurance from a customer whose receivable is purchased 11
- 12 under this Section.
- 13 (220 ILCS 5/19-155 new)
- 14 Sec. 19-155. Aggregation of natural gas load by
- municipalities, townships, and counties. 15
- (a) The corporate authorities of a municipality, township 16
- board of a township, or county board of a county may adopt an 17
- 18 ordinance under which it may aggregate in accordance with this
- 19 Section residential customers and small commercial customer
- 20 natural gas loads located, respectively, within the
- 21 municipality, the township, or the unincorporated areas of the
- county and, for that purpose, may solicit bids and enter into 22
- 23 service agreements to facilitate for those loads the sale and
- 24 purchase of natural gas and related services and equipment.
- 25 The corporate authorities, township board, or county board

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1 may also exercise such authority jointly with any other municipality, township, or county. Two or more municipalities, 2 townships, or counties, or a combination of any of them, may 3 4 initiate a process jointly to authorize aggregation by a 5 majority vote of each particular municipality, township, or

county as required by this Section.

If the corporate authorities, township board, or the county board seek to operate the aggregation program as an opt-out program for residential customers and small commercial customers, then prior to the adoption of an ordinance with respect to aggregation of residential customers and small commercial customer natural gas loads, the corporate authorities of a municipality, the township board, or the county board of a county shall submit a referendum to its residents to determine whether or not the aggregation program shall operate as an opt-out program for residential customers and small commercial customers.

In addition to the notice and conduct requirements of the general election law, notice of the referendum shall state briefly the purpose of the referendum. The question of whether the corporate authorities, the township board, or the county board shall adopt an opt-out aggregation program for residential customers and small commercial customers shall be submitted to the electors of the municipality, township, or county at a regular election and approved by a majority of the electors voting on the question. The corporate authorities,

1	township	board,	or	county	board	must	certify	y to the	pro	per
2	election	authori	ity,	which	must	submi	t the	question	at	an

- 3 election in accordance with the Election Code.
- 4 The election authority must submit the question in 5 substantially the following form:

"Shall the (municipality, township, or county in which 6 the question is being voted upon) have the authority to 7 arrange for the supply of natural gas for its residential 8 9 customers and small commercial customers who have not opted 10 out of such program?".

The election authority must record the votes as "Yes" or 11

12 "No".

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If a majority of the electors voting on the question vote in the affirmative, then the corporate authorities, township board, or county board may implement an opt-out aggregation program for residential customers and small commercial customers.

A referendum must pass in each particular municipality, township, or county that is engaged in the aggregation program. If the referendum fails, then the corporate authorities, township board, or county board shall operate the aggregation program as an opt-in program for residential customers and small commercial customers.

An ordinance under this Section shall specify whether the aggregation shall occur only with the prior consent of each person owning, occupying, controlling, or using a natural gas

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load center proposed to be aggregated. Nothing in this Section, however, authorizes the aggregation of natural gas loads that are served or authorized to be served by a municipality that owns and operates its own gas distribution system. No aggregation shall take effect unless approved by a majority of the members of the corporate authority, township board, or county board voting upon the ordinance. A governmental aggregator under this Section is not a public utility, agent, broker, consultant, or alternative retail gas supplier.

For purposes of this Section, "township" means the portion of a township that is an unincorporated portion of a county that is not otherwise a part of a municipality. In addition to such other limitations as are included in this Section, a township board shall only have authority to aggregate residential customer and small commercial customer natural gas loads in accordance with this Section if the county board of the county in which the township is located (i) is not also submitting a referendum to its residents at the same general election that the township board proposes to submit a referendum under this subsection (a), (ii) has not received authorization through passage of a referendum to operate an opt-out aggregation program for residential customers and small commercial customers under this subsection (a), and (iii) has not otherwise enacted an ordinance under this subsection (a) authorizing the operation of an opt-in aggregation program for residential customers and small commercial customers as

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described in this Section

- (b) Upon the applicable requisite authority under this Section, the corporate authorities, the township board, or the county board shall develop a plan of operation and governance for the aggregation program so authorized. Before adopting a plan under this Section, the corporate authorities, township board, or county board shall hold at least 2 public hearings on the plan. Before the first hearing, the corporate authorities, township board, or county board shall publish notice of the hearings once a week for 2 consecutive weeks in a newspaper of general circulation in the jurisdiction. The notice shall summarize the plan and state the date, time, and location of each hearing. Any load aggregation plan established pursuant to this Section shall:
 - (1) provide for universal access to all applicable residential customers and equitable treatment of applicable residential customers;
 - (2) describe demand management and energy efficiency services to be provided to each class of customers;
 - (3) meet any requirements established by law concerning aggregated service offered pursuant to this Section; and
 - (4) clearly establish the processes that will be followed in advance of the expiration of any agreement with a service provider to either extend the agreement with the incumbent service provider, select a new service provider

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through a competitive solicitation process, or terminate 1 2 the aggregation program.

- (c) The corporate authorities, township board, or county board shall utilize a formal and public process for selecting a natural gas supplier and awarding proposed agreements for the purchase of natural gas and other related services that shall be conducted in the following order:
 - (1) First, the corporate authorities, township board, or county board may solicit bids for natural gas and other related services.
 - (2) The corporate authorities, township board, or county board, or the designee thereof, shall request from the natural gas utility a list of those residential customers and small commercial customers within its aggregate area either by zip code or zip codes or other means as determined by the natural gas utility. The natural gas utility shall then provide to the corporate authorities, township board, county board, or the designee thereof, a list of the residential customers and small commercial customers, including the names and addresses of residential customers and small commercial customers, electronically. The corporate authorities, township board, county board, or the designee thereof, shall be responsible for authenticating the residential customers and small commercial customers contained in this listing and providing edits of the data to affirm, add, or delete the

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residential customers and small commercial customers 1 2 located within its jurisdiction.

- (3) Then, notwithstanding Section 19-115 of this Act and Section 2FFF of the Consumer Fraud and Deceptive Business Practices Act, a natural gas utility that provides residential customers and small commercial customers natural gas service in the aggregate area must, upon request of the corporate authorities, township board, or the county board in the aggregate area, submit to the requesting party, in an electronic format, those account numbers, names, and addresses of residential customers and small commercial customers in the aggregate area that are reflected in the natural gas utility's records and verified as required under item (2) of this subsection at the time of the request. Any corporate authority, township board, or county board receiving customer information from a natural gas utility shall be subject to the limitations on the disclosure of the information described in Section 19-115 of this Act and Section 2FFF of the Consumer Fraud and Deceptive Business Practices Act, and a natural gas utility shall not be held liable for any claims arising out of the provision of information pursuant to this item (3).
- (d) If the corporate authorities, township board, or county board operate under an opt-in program for residential customers and small commercial customers, then:
- (1) within 60 days after receiving the bids, the

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corporate authorities, township board, or county board shall allow residential customers and small commercial customers to commit to the terms and conditions of a bid that has been selected by the corporate authorities, township board, or county board; and

(2) if (A) the corporate authorities, township board, or county board award proposed agreements for the purchase of natural gas and other related services and (B) an agreement is reached between the corporate authorities, township board, or county board for those services, then residential customers and small commercial customers committed to the terms and conditions according to item (1) of this subsection (d) shall be committed to the agreement.

(e) If the corporate authorities, township board, or county board operate as an opt-out program for residential customers and small commercial customers, then it shall be the duty of the aggregated entity to fully inform all residential customers and all small commercial customers in advance that they have the right to opt out of the aggregation program. The disclosure shall prominently state all charges to be made and shall include full disclosure of the cost to obtain service pursuant to Section 19-115 of this Act, how to access it, and the fact that it is available to them without penalty, if they are currently receiving service under that Section. Any notice sent to consumers currently under contract with an alternative retail gas supplier or an entity that provides services in

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1 competition with and similar to an alternative retail gas 2 supplier must disclose that those who wish to participate in the aggregation program (1) shall not be automatically 3 4 enrolled, (2) must explicitly and affirmatively enroll in the 5 program, (3) that doing so may subject them to early 6 termination fees, and (4) to consult their current agreement.

(f) The Illinois Commerce Commission shall adopt rules to implement this Section, including, but not limited to, the protection of customers already under contract with an alternative retail gas supplier, gas utility processes for enrollment of opt-out customers, and minimum opt-out disclosure requirements for opt-out aggregation. The rules adopted under this subsection (f) shall specifically state that if a customer is currently under contract with an alternative retail gas supplier or an entity that provides services in competition with and similar to an alternative retail gas supplier, the customer shall not be automatically enrolled in the relevant municipal, township, or county opt-out program and that the opt-out program shall not interfere with the existing agreement between the customer and alternative retail gas supplier or an entity that provides services in competition with and similar to an alternative retail gas supplier. Nothing shall prohibit a customer under contract with an alternative retail gas supplier or an entity that provides services in competition with and similar to an alternative retail gas supplier from explicitly, in writing, affirmatively choosing

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to enter into the local municipality's, township's, or county's 1 opt-out program. The opt-out disclosure rules adopted under 2 this subsection shall, at a minimum, disclose the possibility 3 4 of a contract termination fee, subject to the terms of 5 paragraph (5) of subsection (g) of Section 19-115 of this Act, 6 for those customers under contract with alternative retail gas suppliers or an entity that provides services in competition 7 8 with and similar to an alternative retail gas supplier.

(g) No municipality, township, or county shall implement, in its plan of operation and governance, an opt-out program that automatically enrolls a customer that is currently under contract with an alternative retail gas supplier or an entity that provides services in competition with and similar to an alternative retail gas supplier into its municipal, township, or county opt-out program. A customer that is currently under contract with an alternative retail gas supplier or an entity that provides services in competition with and similar to an alternative retail gas supplier that <u>seeks to enroll in an</u> opt-out program shall be required by the municipality, township, or county, as applicable, to explicitly, in writing, affirm the choice to enter into said opt-out program via a process established in the plan of operation and governance.

(h) Nothing in this Section shall require a natural gas public utility without a Commission-approved small volume transportation program to accommodate aggregated load switching for any natural gas customers.

- (220 ILCS 5/19-199 new) 1
- Sec. 19-199. Repeal of Article. This Article is repealed 2
- January 1, 2020. 3
- Section 10. The Consumer Fraud and Deceptive Business 4
- Practices Act is amended by changing Section 2DDD as follows: 5
- 6 (815 ILCS 505/2DDD)
- 7 Sec. 2DDD. Alternative gas suppliers.
- (a) Definitions. 8
- (1) "Alternative gas supplier" has the same meaning as 9 10 in Section 19-105 of the Public Utilities Act.
- (2) "Gas utility" has the same meaning as in Section 11 12 19-105 of the Public Utilities Act.
- 13 (b) It is an unfair or deceptive act or practice within the meaning of Section 2 of this Act for any person to violate any 14 provision of this Section. 15
- 16 (c) Solicitation.
- 17 (1) An alternative gas supplier shall not misrepresent 18 the affiliation of any alternative supplier with the gas 19 utility, governmental bodies, or consumer groups.
- (2) If any sales solicitation, agreement, contract, or 20 21 verification is translated into another language and provided to a customer, all of the documents must be 22 23 provided to the customer in that other language.

1	(3) An alternative gas supplier shall clearly and
2	conspicuously disclose the following information to all
3	customers:
4	(A) the prices, terms, and conditions of the
5	products and services being sold to the customer;
6	(B) where the solicitation occurs in person,
7	including through door-to-door solicitation, the
8	<pre>salesperson's name;</pre>
9	(C) the alternative gas supplier's contact
10	information, including the address, phone number, and
11	website;
12	(D) contact information for the Illinois Commerce
13	Commission, including the toll-free number for
14	consumer complaints and website;
15	(E) a statement of the customer's right to rescind
16	the offer within 10 business days of the date on the
17	utility's notice confirming the customer's decision to
18	switch suppliers, as well as phone numbers for the
19	supplier and utility that the consumer may use to
20	rescind the contract; and
21	(F) the amount of the early termination fee, if
22	any.
23	(4) Except as provided in paragraph (5) of this
24	subsection (c), an alternative gas supplier shall send the
25	information described in paragraph (3) of this subsection

26 (c) to all customers within one business day of the

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1 authorization of a switch.

- (5) alternative gas supplier engaging An door-to-door solicitation of consumers shall provide the information described in paragraph (3) of this subsection (c) during all door-to-door solicitations that result in a customer deciding to switch their supplier.
- (d) Customer Authorization. An alternative gas supplier shall not submit or execute a change in a customer's selection of a natural gas provider unless and until (i) the alternative gas supplier first discloses all material terms and conditions of the offer to the customer; (ii) the alternative gas supplier has obtained the customer's express agreement to accept the offer after the disclosure of all material terms and conditions of the offer; and (iii) the alternative gas supplier has confirmed the request for a change in accordance with one of the following procedures:
 - (1) The alternative gas supplier has obtained the customer's written or electronically signed authorization in a form that meets the following requirements:
 - (A) An alternative gas supplier shall obtain any necessary written electronically or signed authorization from a customer for a change in natural gas service by using a letter of agency as specified in this Section. Any letter of agency that does not conform with this Section is invalid.
 - The letter of agency shall be a separate

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document (or an easily separable document containing only the authorization language described in item (E) of this paragraph (1)) whose sole purpose is to authorize a natural gas provider change. The letter of agency must be signed and dated by the customer requesting the natural gas provider change.

- (C) The letter of agency shall not be combined with inducements of any kind on the same document.
- (D) Notwithstanding items (A) and (B) of this paragraph (1), the letter of agency may be combined with checks that contain only the required letter of agency language prescribed in item (E) of this paragraph (1) and the necessary information to make the check a negotiable instrument. The letter of agency check shall not contain any promotional language or material. The letter of agency check shall contain in easily readable, bold face type on the face of the check, a notice that the consumer is authorizing a natural gas provider change by signing the check. The letter of agency language also shall be placed near the signature line on the back of the check.
- (E) At a minimum, the letter of agency must be printed with a print of sufficient size to be clearly legible, and must contain clear and unambiguous language that confirms:
 - (i) the customer's billing name and address;

Τ	(11) the decision to change the natural gas
2	provider from the current provider to the
3	prospective alternative gas supplier;
4	(iii) the terms, conditions, and nature of the
5	service to be provided to the customer, including,
6	but not limited to, the rates for the service
7	contracted for by the customer; and
8	(iv) that the customer understands that any
9	natural gas provider selection the customer
10	chooses may involve a charge to the customer for
11	changing the customer's natural gas provider.
12	(F) Letters of agency shall not suggest or require
13	that a customer take some action in order to retain the
14	customer's current natural gas provider.
15	(G) If any portion of a letter of agency is
16	translated into another language, then all portions of
17	the letter of agency must be translated into that
18	language.
19	(2) An appropriately qualified independent third party
20	has obtained, in accordance with the procedures set forth
21	in this paragraph (2), the customer's oral authorization to
22	change natural gas providers that confirms and includes
23	appropriate verification data. The independent third party
24	must (i) not be owned, managed, controlled, or directed by
25	the alternative gas supplier or the alternative gas

supplier's marketing agent; (ii) not have any financial

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incentive to confirm provider change requests for the alternative gas supplier or the alternative gas supplier's marketing agent; and (iii) operate in a location physically separate from the alternative gas supplier or alternative gas supplier's marketing agent. Automated third-party verification systems and 3-way conference calls may be used for verification purposes so long as the other requirements of this paragraph (2) are satisfied. A alternative gas supplier or alternative gas supplier's sales representative initiating a 3-way conference call or a call through an automated verification system must drop 3-way connection has the call once the established. All third-party verification methods shall elicit, at a minimum, the following information:

- (A) the identity of the customer;
- (B) confirmation that the person on the call is authorized to make the provider change;
- (C) confirmation that the person on the call wants to make the provider change;
- (D) the names of the providers affected by the change;
- the service address of the service to be switched; and
- (F) the price of the service to be provided and the material terms and conditions of the service being offered, including whether any early termination fees

1 apply.

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Third-party verifiers may not market the alternative gas supplier's services. All third-party verifications shall be conducted in the same language that was used in the underlying sales transaction and shall be recorded in their entirety. Submitting alternative gas suppliers shall maintain and preserve audio records of verification of customer authorization for a minimum period of 2 years after obtaining the verification. Automated systems must provide customers with an option to speak with a live person at any time during the call.

(3) The alternative gas supplier has obtained the customer's electronic authorization to change natural gas service via telephone. Such authorization must elicit the information in paragraph (2)(A) through (F) of this subsection (d). Alternative gas suppliers electing to confirm sales electronically shall establish one or more toll-free telephone numbers exclusively for that purpose. Calls to the number or numbers shall connect a customer to a voice response unit, or similar mechanism, that makes a date-stamped, time-stamped recording of the required information regarding the alternative gas supplier change.

The alternative gas supplier shall not use such electronic authorization systems to market its services.

(4) When a consumer initiates the call to the prospective alternative gas supplier, in order to enroll

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Τ.	the consumer as a customer, the prospective arternative gas
2	supplier must, with the consent of the customer, make a
3	date-stamped, time-stamped audio recording that elicits,
4	at a minimum, the following information:
5	(A) the identity of the customer;
6	(B) confirmation that the person on the call is
7	authorized to make the provider change;
8	(C) confirmation that the person on the call wants
9	to make the provider change;
10	(D) the names of the providers affected by the
11	change;
12	(E) the service address of the service to be
13	switched; and
14	(F) the price of the service to be supplied and the
15	material terms and conditions of the service being
16	offered, including whether any early termination fees
17	apply.
18	Submitting alternative gas suppliers shall maintain
19	and preserve the audio records containing the information

set forth above for a minimum period of 2 years.

(5) In the event that a customer enrolls for service from an alternative gas supplier via an Internet website, alternative gas supplier shall obtain the electronically signed letter of agency in accordance with paragraph (1) of this subsection (d) and any customer information shall be protected in accordance with all

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and date.

1	applicable statutes and rules. In addition, an alternative
2	gas supplier shall provide the following when marketing via
3	an Internet website:
4	(A) The Internet enrollment website shall, at a
5	minimum, include:
6	(i) a copy of the alternative gas supplier's
7	customer contract, which clearly and conspicuously
8	discloses all terms and conditions; and
9	(ii) a conspicuous prompt for the customer to
10	print or save a copy of the contract.
11	(B) Any electronic version of the contract shall be
12	identified by version number, in order to ensure the
13	ability to verify the particular contract to which the
14	customer assents.
15	(C) Throughout the duration of the alternative gas
16	supplier's contract with a customer, the alternative
17	gas supplier shall retain and, within 3 business days
18	of the customer's request, provide to the customer an
19	e-mail, paper, or facsimile of the terms and conditions
20	of the numbered contract version to which the customer
21	assents.
22	(D) The alternative gas supplier shall provide a
23	mechanism by which both the submission and receipt of
24	the electronic letter of agency are recorded by time

(E) After the customer completes the electronic

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letter of agency, the alternative gas supplier shall disclose conspicuously through its website that the customer has been enrolled and the alternative gas supplier shall provide the customer an enrollment confirmation number.

(6) When a customer is solicited in person by the alternative gas supplier's sales agent, the alternative gas supplier may only obtain the customer's authorization to change natural gas service through the method provided for in paragraph (2) of this subsection (d).

Alternative gas suppliers must be in compliance with the provisions of this subsection (d) within 90 days after the effective date of this amendatory Act of the 95th General Assembly.

- (e) Early Termination.
- (1) Any agreement that contains an early termination clause shall disclose the amount of the early termination fee, provided that any early termination fee or penalty shall not exceed \$50 total, regardless of whether or not the agreement is a multiyear agreement.
- (2) In any agreement that contains an early termination clause, an alternative gas supplier shall provide the customer the opportunity to terminate the agreement without any termination fee or penalty until the due within 10 business days after the date of the first bill issued to the customer for products or services provided by the

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- 1 alternative gas supplier. The agreement shall disclose the opportunity and provide a toll-free phone number that the 2 3 customer may call in order to terminate the agreement.
 - The alternative gas supplier shall provide each customer the opportunity to rescind its agreement without penalty within 10 business days after the date on the gas utility notice to the customer. The alternative gas supplier shall disclose to the customer all of the following:
 - (1) that the gas utility shall send a notice confirming the switch;
 - (2) that from the date the utility issues the notice confirming the switch, the customer shall have 10 business days before the switch will become effective;
 - (3) that the customer may contact the gas utility or the alternative gas supplier to rescind the switch within 10 business days; and
 - (4) the contact information for the gas utility and the alternative gas supplier.
 - The alternative gas supplier disclosure shall be included in its sales solicitations, contracts, and all applicable sales verification scripts.
 - (g) The provisions of this Section shall apply only to alternative gas suppliers serving or seeking to serve residential and small commercial customers and only to the extent such alternative gas suppliers provide services to residential and small commercial customers.

- 1 (Source: P.A. 97-333, eff. 8-12-11.)
- 2 Section 99. Effective date. This Act takes effect upon
- 3 becoming law.".